

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Greene Analyst: Marion Mann DeJong Bill Number: SB 2058

Related Bills: _____ Telephone: (916) 845-6979 Amended Date: 07/06/98

Attorney: Doug Bramhall

Sponsor: _____

SUBJECT: Employer Contributions To EDD/Interest On Unpaid Penalties

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended _____.

FURTHER AMENDMENTS NECESSARY.

☒ DEPARTMENT POSITION CHANGED TO Board, No Position.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED February 20, 1998, STILL APPLIES.

OTHER - See comments below.

SUMMARY OF BILL

Under the Unemployment Insurance Code (UIC), this bill would provide that interest shall be charged on penalties and that the changes are declaratory of existing law.

Although this bill does not impact the programs administered by the department, a discussion of the bill was provided in the department's analysis of the bill as introduced February 20, 1998.

SUMMARY OF AMENDMENT

The July 6, 1998, amendments deleted provisions to restrict the interest to penalties directly related to, and added to, an assessment. Except for the Board Position, the department's prior analysis still applies. The Board Position from the prior analysis is changed from pending to no position for the reasons discussed below.

BOARD POSITION

No Position.

At its March 26, 1998, meeting the Franchise Tax Board considered this bill, but took no position. Julie Bornstein, on behalf of Controller Kathleen Connell, supported the bill; Member Dean Andal was opposed; and Robin J. Dezember, on behalf of Member Craig L. Brown, abstained.

Board Position:

<input type="checkbox"/> S	<input type="checkbox"/> NA	<input checked="" type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input type="checkbox"/> PENDING

Department/Legislative Director

Date

Johnnie Lou Rosas

7/17/98